1991	Second Quarter				Year-to-Date			
	1991	1990	Variance	Percentage	1991	1990	Variance	Percentage
Income Statement								
Revenue								
Paying Users	4,496	3,267	1,229	138%				
Active Users	2,698	2,026	672	133%				
Average Active Hours/User	6	6		93%				
Packet Users	1,214	709	505	171%				
Packet hour usage	14,340	7,643	6,698	188%				
Leased line/hispeed usage	312	5,220	(4,908)	6%				
Monthly fees	154,594	75,464	79,130	205%	294,011	143,216	150,795	205%
Hourly fees	94,414	99,991	(5,577)	94%	185,985	197,936	(11,951)	94%
Packet fees	53,510	37,541	15,969	143%	109,359	74,814	34,545	146%
Leased line fees	1,219	2,637	(1,419)	46%	1,596	5,405	(3,808)	30%
Disk storage	4,641	15,249	(10,608)	30%	9,988	26,187	(16,199)	38%
Other Revenue (Reg Fees, Softwar	6,293	507	5,785	1241%	12,587	507	12,080	2481%
Total Charges	314,669	231,390	83,280	**136%**	613,526	448,065	165,461	**137%**
Minus Discounts	(60,518)	(52,283)	(8,235)	116%	(118,416)	(108,608)	(9,808)	109%
Total Revenue	254,151	179,106	75,045	**142%**	495,110	339,457	155,652	**146%**
Direct Costs								
Packet Services	43,263	29,759	13,504	145%	81,918	59,032	22,886	139%
Phone Services	6,402	9,590	(3,188)	67%	15,349	12,039	3,310	127%
Support Materials	4,424	5,460	(1,036)	81%	7,226	9,295	(2,069)	78%
Postage	1,683	671	1,012	251%	2,893	1,394	1,498	207%
Total Direct Costs	55,772	45,480	10,292	123%	107,386	81,760	25,625	131%
Percent of Gross Revenue	**65.77%**	**75.87%**		87%	**21.69%**	**24.09%**		90%
Gross Margin	198,379	133,626	64,754	148%	387,724	257,697	130,027	150%
Percent of Gross Revenue	**78.06%**	**74.61%**		105%	**78.31%**	**75.91%**		103%

1991	Second Quarter				Year-to-Date			
	1991	1990	Variance	Percentage	1991	1990	Variance	Percentage
Indirect Costs								
Personnel								
Director	15,514	13,488	2,026	115%	29,980	26,040	3,940	115%
System Admin	9,218	8,420	798	109%	18,321	17,313	1,008	106%
Engineer	12,384	1,411	10,973	878%	21,236	1,411	19,824	1505%
Customer Support	15,083	11,149	3,934	135%	27,427	19,911	7,516	138%
Marketing Director	10,880	9,450	1,430	115%	21,380	18,750	2,630	114%
Accounts Manager	10,150	8,921	1,230	114%	19,600	17,521	2,079	112%
Admin. Asst.	8,927	4,819	4,108	185%	16,367	9,013	7,354	182%
Bookkeeper	1,900	1,185	715	160%	3,700	2,550	1,150	145%
Payroll Taxes	6,481	5,306	1,175	122%	13,329	9,387	3,942	142%
Benefits	4,073	2,610	1,463	156%	7,896	6,426	1,470	123%
	94,610	66,759	27,851	142%	179,235	128,322	50,914	140%
Percent of Gross Revenue	37.23%	37.27%	-0.05%	100%	36.20%	37.80%	-1.60%	96%
Computer Operations								
Computer Space Rent	1,350	400	950	338%	2,700	550	2,150	491%
Electricity	1,297	1,070	226	121%	2,243	2,060	183	109%
Hardware	5,129	(69)	5,198	-7386%	5,192	46	5,146	11195%
Software (System and re-sale)	118		118	#DIV/0!	423		423	
Modems		1,555	(1,555)			1,555	(1,555)	
Maintenance & Repair	4,122	3,228	894	128%	8,565	6,000	2,565	143%
Contract Programming		1,900	(1,900)			2,725	(2,725)	
	12,016	8,084	3,932	149%	19,124	12,936	6,187	148%
Percent of Gross Revenue	4.73%	4.51%	0.21%	105%	3.86%	3.81%	0.05%	101%
Sales/Marketing								
Travel & entertainment	1,061	396	665	268%	1,634	538	1,096	304%
Promotional materials	764	3,294	(2,530)	23%	987	3,362	(2,375)	29%
Advertising	2,156	340	1,816	634%	4,116	2,165	1,951	190%
Network subscriptions	64	678	(614)	9%	136	678	(542)	20%
Telephone								
Complimentary WELL time								
	4,046	4,708	(663)	86%	6,872	6,743	129	102%
Percent of Gross Revenue	1.59%	2.63%	-1.04%	61%	1.39%	1.99%	-0.60%	70%

Comparisons of Actuals -- AS OF JUNE 30, 1990 and 1991

1991	Second Quarter				Year-to-Date			
	1991	1990	Variance	Percentage	1991	1990	Variance	Percentage
Office								
Office Rent	5,562	4,020	1,542	138%	10,692	8,340	2,352	128%
Utilities	579	321	258	180%	1,346	799	547	169%
Postage	796	736	60	108%	1,882	1,304	578	144%
Computer Hardware	1,111	731	380	152%	3,536	1,278	2,258	277%
Computer Software	663	386	277	172%	891	598	294	149%
Phones	1,382	516	866	268%	3,083	1,011	2,072	305%
Office Supplies	1,871	1,228	643	152%	4,348	2,639	1,709	165%
Temp Labor	483	263	221	184%	2,717	374	2,343	726%
Repairs & Maintenance	2,012	865	1,147	233%	2,615	930	1,686	281%
Communications	2	30	(28)	7%	11	50	(39)	22%
	14,461	9,095	5,366	159%	31,121	17,321	13,799	180%
Percent of Gross Revenue	5.69%	5.08%	0.61%	112%	6.29%	5.10%	1.18%	123%
Customer Support								
Labor								
Complimentary WELL Time								
Training								
Percent of Gross Revenue								
General & Administrative								
Insurance	256	427	(172)	60%	1,141	907	234	126%
Depreciation	6,751	5,590	1,161	121%	13,353	10,321	3,032	129%
Bad Debts	5,066	5,206	(141)	97%	9,904	16,209	(6,304)	61%
Outside Professional Services	996	2,183	(1,186)	46%	3,435	2,768	667	124%
Licenses, Fees, Taxes, Membershi	1,662		1,662		2,676		2,676	
Bank Fees	5,581	3,722	1,859	150%	10,533	5,878	4,655	179%
Miscellaneous	182	1,407	(1,225)	13%	662	3,177	(2,515)	21%
Non-taxable Donations					400		400	
Board-related Expenses	1,022	642	380	159%	1,701	1,444	258	118%
	21,516	19,177	2,339	112%	43,806	40,704	3,102	108%
Percent of Gross Revenue	8.47%	10.71%	-2.24%	79%	8.85%	11.99%	-3.14%	74%
Total Indirect Costs	146,649	107,824	38,825	136%	280,157	206,026	74,131	136%
Percent of Gross Revenue	57.70%	60.20%	-2.50%	96%	56.58%	60.69%	-4.11%	93%
Total Costs	202,421	153,304	49,117	132%	387,543	287,787	99,756	135%
Percent of Gross Revenue	79.65%	85.59%	-5.95%	93%	78.27%	84.78%	-6.50%	92%

1991	Second Quarter				Year-to-Date			
	1991	1990	Variance	Percentage	1991	1990	Variance	Percentage
Earnings Before Int & Taxes	51,730	25,802	25,928	200%	107,567	51,670	55,897	208%
Percent of Gross Revenue	20.35%	14.41%	5.95%	141%	21.73%	15.22%	6.50%	143%
Interest Income (Expense)								
Interest rec'd from cash in bank	341		341		726		726	
Sequent loan interest paid	(579)	(825)	246	70%	(1,209)	(1,688)	479	72%
	(237)	(825)	587	29%	(483)	(1,688)	1,205	29%
Earnings Before Taxes	51,493	24,978	26,515	206%	107,084	49,982	57,102	214%
Corporate taxes	10,637		10,637		30,650	2,650	28,000	1157%
Earnings	40,856	24,978	15,878	164%	76,434	47,332	29,101	161%
Dividends								
Net Earnings	40,856	24,978	15,878	164%	76,434	47,332	29,101	161%
Capital Budget								
Sequent expansion	11,000	1,830	9,170	601%	11,000	19,380	(8,380)	57%
Modems	1,509	750	759	201%	7,783	750	7,033	1038%
Office equipment	4,422	775	3,647	571%	4,422	3,360	1,061	132%
Other		5,171	(5,171)			5,171	(5,171)	
	16,931	8,526	8,405	199%	23,204	28,661	(5,457)	81%

1991	Second Quarter				Year-to-Date			
	1991	1990	Variance	Percentage	1991	1990	Variance	Percentage
BALANCE SHEET								
Short Term Assets								
Cash in bank	37,047	9,729	27,318	381%				
Accounts receivable	57,441	43,820	13,621	131%				
Credit card vouchers	91,703	49,880	41,823	184%				
Other	9,268	2,205	7,063	420%				
	185,554	105,634	79,921	176%				
Long Term Assets								
P & E	209,310	166,233	43,077	126%				
Accumulated depreciation	(53,331)	(46,566)	(6,765)	115%				
	155,979	119,667	36,312	130%				
	341,533	225,301	(225,301)	152%				
Short Term Liabilities								
Prepaid usage	9,412	3,935	5,477					
Accounts payable	44,625	35,434	9,191	27%				
Sequent loan (current period)	7,500	7,500		595%				
NETI loan (current period)	30,000		30,000					
Payroll taxes payable	647	7,400	(6,753)	405%				
Corporate taxes payable	14,481		14,481					
	106,665	54,268	52,397	27%				
Long Term Liabilities								
NETI advance	17,500		17,500					
Sequent loan	7,665	15,331	(7,666)	114%				
	25,165	15,331	9,834	50%				
Stockholders Equity								
Common Stockholders	27,990	107,990	(80,000)					
Retained earnings	105,164	(277)	105,441	-10109%				
Current Period Earnings	76,549	47,988	28,560	219%				
	209,703	155,702	54,001	49%				
	341,533	225,301	116,233	152%				